Scott. II-27—40,000—20-12-38.

Government (1939 Department.

M

MS SERIES.

I.O. No.	1512
Dated	12.6.39

[Despatch Abstract.]

Hospet Sugar factory. Compulsory
in the matter of purchase of
Sugar cane Papers recorded

9468-III/89

Work Dept

T.

To

The D.A.

Hospital Sugar Factory – Compul. Sein in the matter of purchase of sugarcane.

H.T. (D.K.) desires that after your return from Sirsa you should meet him Late 12 noon on any day convenient for you to explain the modalities of your proposals.

Issued 15/5

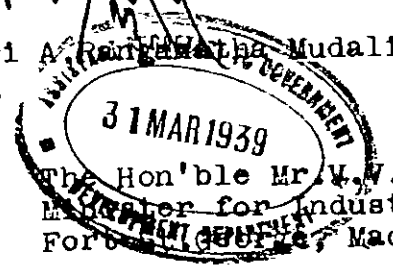
RR 15/5

RLL 15/5

Private & Personal
Tirupati, 29th March'39.

From Sri A. Ranganatha Mudaliar, B.A.,B.L.,

To



9468

The Hon'ble Mr.V.V.Giri,
Minister for Industries & Labour,
Fort St. George, Madras.

Dear Mr.Giri Garu,

The Hospet Sugar Factory has ceased its work for the season. It has not been able to produce more than 3,273 tons of sugar, owing to the abnormal conditions of the year. Our factory also like other factories has had to be content with a lower tonnage of sugar than it might otherwise have had. Of course, the activities of our merchants should have also affected the out put. Now, it is a rumour that the Government proposes to compel the factory not to purchase any cane from beyond the Tungabathra River ie. from Hyderabad State. If in the past, we had depended only on the supplies of Hospet Taluq, the factory should have gone into liquidation long ago. I have no doubt that it will have to do the same if ~~it is in~~ there is any foundation in the rumours set afloat by our friends. Kindly let me know whether there is any truth at all in the rumour so that we might know whether or not, we may arrange for the working of the factory next-year on the assumption that the present conditions which are bad enough are not worsened for the factory.

Thanking you for the favour and an early reply,

Yours Sincerely,

Ranganatha

Dev^t Dept^h.

To A.S.

Please see H.F. DR's note on p.1 above. There is now no proposal before the Govt for prohibiting the purchase of cane from Hyderabad.

RR
17/4/F

S

U.S. may see
17/4/

Please ask DA if he has any such proposal before him. (This will be in the case of another Govt order we suppose if we do not wish to put in the bud. We need not send a copy of this DO to H.H. D Am.

17/4

A draft T.N. is submitted below for approval.

hra
18/4.

I am not sure of the Secretariat behind such a proposal.

RR
18/4

DO.1 (F) DM to DA issued on 18.4.49.

DO.2 (F) Ad/pd [illegible] on 4-4-49.

ad- (F.) The reply from the D.A. is submitted for perusal.

Pl note what action was taken in the file.

hra
19.4.49

RR
4/4

U.O. to A.S.

Submitted that there is no

information on the point in the office.* The D.A. may be consulted. A draft T.M. is submitted below for approval.

RK 19.4

ha 19.4.39

RKK 19.4.39

T. M. to D.A. issued on 20.4.39 — f. 3 ante (F)

Reply received from the D.A. on 21.4.39. — f. 4 ante (F)

*The D.A.'s office has been informally consulted. There is no major item with

A.S. / 2nd.

With reference to Under Secy's note on p. 2 ante, attention is invited to the messages from the D.A. on pp 2 & 4 ante (F).

Until the Act is amended, nothing can be done. But we need not tell Mr R-Mudr yet what the D.A. has in view. The Govt have to examine the proposals before any restriction is enforced as to the areas from which Cos could be enforced by particular Companies. I should think the Ind. Act contemplates localised restriction only to avoid competition by different factories. When there are no competing factories I am not sure if restriction would be permissible. There must be agreement on the part of persons to sell the Cos to the factory and their agreement should be respected by both parties.

RK 25

WS 5

I fully agree with A.S.'s views. The conditions are radically different in Madras.

AR 2/5

Quite so, conditions in U.P. which is studded with factories and where neighbouring factories can compete for cane grown in the same area are no guide to the requirements in Madras.

Pl. circulate
4/5

MO
2/5/39

H.M. (I&L) I want to understand H.M.(A&RD) the full implications of this proposal of D.A. I desire to have a meeting at the Secretariat on any day after 5th as I am away at Head-quarters after the 6th. Can you see him

3/5

H.M.(A&RD) Having had a discussion with the Dev. Secy & D.A. I feel that it will be advisable that the D.A. meets H.M.(I&L) & explains the various implications in this matter, to enable the Hon ble Ministers to come to a decision. If, after discussion, any Secy Council is required I am prepared to meet H.M.(I&L)

13.5.39

MO
15/5/39

To A.S.

A draft C.M. is submitted for

approval.

(The D.A. has left for Sunlet will be returning only at the end of the month)

RR 7.5.39

RR 15-5-39
Do A.S.

~~The~~ file May be ~~submitted~~ to H.M.(I&L) for ~~the~~ perusal of H.M.(A.RD)'s note and p 4 above
the discussion with the D.A

RR 1-6-39

RR 1-6-39

H.M.(I&L) Ot met me & promised to make further enquiries & ~~ll~~ further comments & discuss with me. There is no hurry about it as the Cane season is over

5/6

Do A.S.

No action is necessary now. The ~~file with~~ question may be considered again when ~~be taken up after the receipt of~~ the D.A.'s report is received.

The papers may now be 'recorded'.

RR 10/6/39

RR 11.6.39

Gr.O.No 1512 D) 12-6-39
Ms.

Hgr.-
Hosfet Sugar Factory - Compulsion in the matter of purchase of sugarcane - Papers recorded